

MINUTES

VIRGINIA SMALL BUSINESS FINANCING AUTHORITY BOARD OF DIRECTORS MEETING - LOAN BUSINESS

July 20, 2005 - 12:00 P.M.

**8th & Main Building, 3rd Floor Conference Room
Richmond, Virginia**

- I. Voting members present: Hattie Hamlin, Jane-Scott Cantus, The Honorable Jody Wagner, Jeff Jones, Michael Joyce, Leon Moore, and Mike Eisenman.
Others present: Scott Parsons, Seth Ginther, Barbara Carter, Patty Thorne, and Anna Mackley Cobb.

Vice Chairman Hattie Hamlin called the meeting to order and welcomed newly-appointed member, Michael Joyce.

- II. Approval of Minutes - On a motion by Leon Moore, seconded by Jeff Jones, the minutes of the June 15, 2005 Board of Directors Meeting - Loan Business were unanimously approved. (Ms. Wagner was not present for the vote.)

III. 501c3 Bond Program and Industrial Development Bond Program Applications

- A. Faith Baptist Church and Schools - City of Fredericksburg - \$5,500,000. Anna Mackley Cobb reviewed for the Board this application for 501c3 bonds to finance and refinance the acquisition, construction and equipping of church school facilities. A motion was made by Mike Eisenman, and seconded by Jane-Scott Cantus, to adopt an inducement resolution as presented authorizing the issuance of 501c3 bonds to finance and refinance the acquisition, construction, and equipping of church school facilities. Voting aye: Mr. Jones, Ms. Cantus, and Mr. Joyce. Voting nay: Ms. Wagner, Ms. Hamlin, Mr. Moore, and Mr. Eisenman. The motion did not carry.
- B. Virginia Museum of Fine Arts Foundation - City of Richmond - \$30,000,000. Anna Mackley Cobb presented to the Board this application for 501c3 bonds to finance the construction of a major expansion to and renovation of the existing facility.

IV. PUBLIC HEARING

- A. Virginia Museum of Fine Arts Foundation - City of Richmond - \$30,000,000 501c3 bond. On a motion by Jeff Jones, seconded by Jane-Scott Cantus, the Board of Directors unanimously adopted an inducement resolution authorizing the issuance of 501c3 bonds to finance the construction of gallery and educational space, a parking deck and the creation of a sculpture garden, and the renovation of the existing facility.

V. Economic Development Loan Fund Application

- A. Atlantic Recycling Technologies, Inc. / Tiger Fibers LLC - Change in Ownership - Patty Thorne presented this request to the Board. On a motion by Leon Moore, seconded by Mike Eisenman, the Board of Directors unanimously approved the request for change in ownership as presented with leeway given to staff to set the appropriate guarantors as needed. (Ms. Wagner was not present for the vote.)

VI. Loan Guaranty Program Application

- A. Rage Plastics Altavista, LLC - Campbell County - \$300,000. On a motion by Leon Moore, seconded by Jeff Jones, the Board of Directors unanimously approved the renewal of VSBFA's 75% guaranty of a \$400,000 line of credit extended by First National Bank of Altavista and extension of the expiration date. (Ms. Wagner was not present for the vote.)

VII. Board Review and Ratification of Loans Approved and Declined by Staff - On a motion by Leon Moore, seconded by Michael Joyce, the loan decisions of \$500,000 or less approved/declined by staff for June 2005 were unanimously ratified. (Ms. Wagner was not present for the vote.)

VIII. Approval of Credit Guidelines - No comments were received from board members on the guidelines. On a motion by Leon Moore, seconded by Mike Eisenman, the Board of Directors unanimously approved the credit guidelines as presented. (Ms. Wagner was not present for the vote.)

- IX. Report to the Board: FYTD '05 Loan Volume & Fiscal Year Status - Scott Parsons briefly reviewed the loan activity report noting that the exceptional activity for the year in funds loaned, jobs created and number of bond requests for 2005. Mr. Parsons expressed his appreciation to the staff and the Board for its support in helping the staff to reach its goals.

- X. The meeting was adjourned by the Vice Chairman.